

**STATEMENT OF THE HONORABLE ROBIN CARNAHAN**

**ADMINISTRATOR**

**U.S. GENERAL SERVICES ADMINISTRATION**

**BEFORE THE HOUSE TRANSPORTATION AND INFRASTRUCTURE**

**SUBCOMMITTEE ON ECONOMIC DEVELOPMENT, PUBLIC BUILDINGS, AND**

**EMERGENCY MANAGEMENT**

**November 2, 2021, at 10AM EST**

Good afternoon Chairwoman Titus, Ranking Member Webster, and Members of the Subcommittee. My name is Robin Carnahan, and I am the Administrator of the U.S. General Services Administration (GSA). I am joined today by Public Buildings Service (PBS) Commissioner Nina Albert. We appreciate the opportunity to speak with the Subcommittee about GSA's priorities under the Biden-Harris Administration.

Today, we want to briefly touch on GSA's pandemic response - which has been a critical effort and for which we have appreciated Congress's continued support. Primarily, though, we want to outline what we see as this incredible moment of opportunity for the government and the country - a chance to dramatically cut long-term costs, better enable mission execution for our partner agencies, and better serve the public. We'll touch on a few of the key programs and initiatives that are part of how we think we can

seize this opportunity. The most important of these are the President's Fiscal Year 2022 Budget Request, the Infrastructure Investment and Jobs Act, and the reconciliation package.

Especially at this critical moment, I am honored and humbled to serve GSA in my new role, and to work alongside proven leaders like Commissioner Albert to fulfill our mission.

### **GSA's Response to the COVID-19 Pandemic**

GSA is a vital partner of other Federal departments and agencies in their response to State- or Federally-declared emergencies, including assisting agencies in responding to COVID-19. Since the beginning of the pandemic, GSA has supported agencies by keeping buildings open, providing clean facilities for all occupants and the visiting public, and providing technology and services to support the mobile work environment. We have amended and updated all of our custodial contracts to clean and disinfect Federal workplaces in accordance with the Centers for Disease Control and Prevention (CDC), the Occupational Safety and Health Administration, and the Safer Federal Workforce Task Force guidance. GSA has also adjusted air ventilation and filtration systems in buildings in accordance with CDC guidance.

GSA helped Federal, State, and local partners respond to the COVID-19 pandemic by procuring and delivering 51 million pairs of protective gloves, more than 983 gallons of disinfectant and cleaning solutions, more than 662,000 gallons of hand sanitizer, 1.3 million masks and face shields, more than 208,000 Meals Ready to Eat, 18,000 laptops

for agency partners, and 15,000 beds and cots for medical needs, providing support to the USNS Comfort and USNS Mercy in preparation for their deployment to New York City and Los Angeles, and helping to convert Lumen Field in Seattle into a field hospital.

With additional resources from the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) in March 2020, GSA has executed and delivered enhanced cleaning in GSA-controlled Federally owned and leased space, in accordance with CDC guidance for cleaning and disinfection. Furthermore, GSA has invested CARES Act funding into FY 2022 to make our buildings safer, increasing ventilation and improving air filtration within existing heating, ventilation, and air conditioning systems to improve indoor air quality and better protect building occupants.

GSA amended more than 4,500 leases to include disinfection requirements consistent with CDC guidelines. GSA also secured emergency leases to support agencies in responding to the pandemic, including four for the U.S. Department of Homeland Security, Federal Emergency Management Agency (FEMA), and for the U.S. Small Business Administration to support its efforts working with FEMA.

GSA is also working with the U.S. Office of Personnel and Management, the Office of Management and Budget (OMB), and other agencies on the Safer Federal Workforce Task Force, providing Federal Executive Branch agencies with ongoing guidance to keep Federal employees safe, enable agencies to continue operating during the pandemic, and plan for a safe and effective reentry.

It was an honor for GSA to support the national response during this global crisis, and I am focused on ensuring that GSA will continue to be a part of the solution as we move forward together.

### **Navigating the Post-Pandemic Landscape**

Our country is at a critical juncture as we re-emerge from one of the most disruptive pandemics and pivot to opportunities to provide a more resilient environment for the future.

*Right-Sizing the Real Estate Portfolio* - Government-wide adoption of telework as a result of the pandemic presents GSA with a unique opportunity to right-size its real estate portfolio. With more than 50 percent of PBS's total annual appropriated budget paying for leased space, GSA has the opportunity to reinvest in its existing buildings and reduce costly leases to save taxpayers money over the long-term. We plan to capitalize on increased telework across the Federal Government to work with agencies to consolidate into Federally owned buildings and reduce costly leases. GSA has demonstrated its ability to succeed in this area. Since FY 2018, GSA has achieved over \$4.5 billion in lease cost avoidance by negotiating leases below market costs, reducing rentable square feet and moving from leased space to Federally owned space. GSA's actions led to the U.S. Government Accountability Office (GAO) removing costly leasing from its High Risk Report for the first time in 17 years. GAO credited GSA's progress made in reducing leasing costs and improving monitoring efforts.

*Future Space Needs* - Of course, as a provider of space to partner agencies, we also recognize that we need to enhance our engagement to help them plan for our “new normal.” We have expanded communications with Federal agencies through targeted outreach; this effort includes quarterly surveys that gauge the real estate, telework, and technology needs of GSA’s customer agencies. While agencies are still considering what a new post-pandemic will look like, including the level and frequency of telework, GSA will work alongside agencies to help them make data-driven space decisions that factor in future telework postures.

*Providing Agencies with a Vision for the Future* - GSA has been partnering with agencies to define what future workspace will look like for the Federal Government. Through an on-going engagement called “Workspace 2030” with more than 100 experts across 18 Federal agencies, GSA is leading efforts to develop an integrated solution set that includes real estate, technology, and human capital solutions. The future of work will include the full range of options, from in-office to remote working environments to the hybrid work model—whereby employees work part of the week in the office and part of the week teleworking—most likely deploying all three of these models at the same time. It will be important for GSA to make it as easy as possible for agencies to operationalize all of these workplace models, depending on their mission needs as well as their employees’ needs.

GSA launched Workplace 2030 to learn from the COVID-19 pandemic to address future workspace needs. Workplace 2030 is not a one-size-fits-all solution, but rather a

process that results in the creation of work solutions through conversation with our agency partners. Through this initiative, agencies have positively responded to new and innovative ways of working that have transformed the way the Federal Government will work, long into the future. We are positioning ourselves to be agile and flexible to this changing environment.

Through Workplace 2030, GSA is offering numerous services and options for agencies to test and try. For example, GSA is piloting a space solution called “FlexHub,” which is a Federal co-working space, as well as home office technology equipment and furniture packages, and finally the “Workplace Innovation Lab,” which allows GSA to try new and emerging office furniture, technology, and other industry innovations. GSA recently awarded an Indefinite Delivery, Indefinite Quantity contract to five private, co-working companies whereby agencies can access short-term, turnkey office space to meet temporary space needs. By offering and testing a variety of workspace options, GSA is proactively engaging agencies to help them make decisions about their longer-term workspace needs.

As we navigate out of the pandemic, GSA is committed to developing the new offerings that agencies will need to embrace new ways of working - and proactively engaging with partner agencies to ensure we don't just snap back to the way things were before.

### **Building Back Better**

GSA is putting together the programs, initiatives, and outreach strategy that will allow agencies to adapt to new ways of working, and save money in the process. However, for

us to be able to effectively pursue this opportunity, we will need to make smart and strategic investments - and will need the resources to do so. That's why we are so excited about the possibilities presented by the Infrastructure Investment and Jobs Act, the reconciliation package, and the President's Fiscal Year 2022 request.

*Infrastructure Investment and Jobs Act* - The Infrastructure Investment and Jobs Act (IIJA) includes over \$3.4 billion to modernize and upgrade more than 30 land ports of entry (LPOEs) along the northern and southern borders. These resources will allow us to modernize these ports for the future - improving our nation's border security while also making these facilities more sustainable. These projects will also provide the Federal inspection agencies with the facilities they need to better promote trade, tourism and commerce. These are mission-critical gateways for commerce that need to be secure, efficient, and functional.

*Reconciliation Package* - We recognize that what ends up in the final reconciliation package, as of the moment of putting together this testimony, is still up in the air. But let us tell you some of the critical opportunities we have through this infrastructure package as well. The President's initial proposal included \$5 billion to invest in Federal buildings. We have the opportunity to use these funds for facilities in up to 34 states, the District of Columbia and the Commonwealth of Puerto Rico. This work would help to address the growing backlog of needed repairs in our public assets, as well as make key investments to make these buildings more habitable, resilient and sustainable. With these improvements, we can consolidate agencies into federally-owned space, with the

potential to save billions of dollars in annual lease costs. We can also dramatically reduce our carbon footprint by increasing efficiency and electrifying many of these buildings and incorporating solar, geothermal, and carbon free sources of energy wherever possible. These resources can also be utilized to catalyze emerging markets; for instance, GSA has established a working group within our Green Building Advisory Council<sup>1</sup> to look at issues of embodied carbon in construction materials. We can leverage these funds to buy lower-carbon materials as we work to modernize our existing facilities. These investments will also create thousands of good-paying American jobs, many of them union.

The President's proposal also included \$5 billion to electrify the federal fleet. With this money, depending on market conditions, we can convert between 164,000 and 269,000 vehicles in the federal fleet to zero-emission vehicles, and install 82,000 to 269,000 charging stations across the country at federal facilities. This is an important signal of the government's commitment to lead by example in achieving the President's goal of supporting electrification of our country's vehicles. It also is in line with the direction of the market, where we have seen major American automakers pledge to go all-electric in the years ahead.

As Congress has moved forward with consideration of the reconciliation package, some Committees have also proposed making critical investments in our digital infrastructure. As the agency sitting at the nexus of partner agency needs, GSA strongly agrees with

---

<sup>1</sup> The Green Building Advisory Committee was established by Congress in the Energy Independence and Security Act of 2007, and operates under the provisions of the Federal Advisory Committee Act (FACA).



making investments in this area as well. As we saw coming out of the CARES Act, the ability of the public to access the resources they need - and to limit bad actors from engaging in fraud - is heavily dependent on having effective and secure digital services. Moreover, as agencies embrace the opportunity to more effectively utilize and share their physical infrastructure, they will need to make upgrades to their digital infrastructure. This will have substantial benefits to the delivery of services to the public; to the productivity of the federal workforce; and will also allow the federal government to further reduce its carbon impacts. I know that Committees in both the Senate and House have proposed funding for the Technology Modernization Fund, and the Federal Citizen Services Fund, and GSA is also supportive of those investments.

*Fiscal Year 2022 Budget Request* - The President's FY 2022 budget request is the final component that will allow us to achieve this transformation of the federal workspace. The budget includes net positive budget authority for the Federal Buildings Fund (FBF). This is key to our ability to seize the opportunity before us to "right-size" the federal real estate portfolio.

As background, to sustainably care for and modernize our public assets, the FBF was designed with the assumption that GSA would be able to reinvest the rent that agencies pay into the fund back into our public assets - much like a private sector landlord. Yet, for the past decade, GSA's ability to access this rent has been statutorily limited - and this has resulted in an inability to address the growing backlog of deferred maintenance and to keep facilities in a good state of repair. GSA must address these deferred

maintenance needs to continue to provide safe, functional, and healthy workspace for Federal employees, and to manage capital costs responsibly. Without safe and efficient facilities, we can't take advantage of this opportunity to consolidate agencies out of costly leased space. This is the year to get this done.

Moreover, we are leaving savings on the table from smart new investments, like the ongoing consolidation of the Department of Homeland Security at St. Elizabeths. This project will consolidate DHS from more than 40 locations around the District to a modern, secure, and sustainable campus. We have already made significant investments at this facility and can continue to reap greater and greater value from those investments in the future; we stand to save half a billion dollars in real estate costs once we complete the project. Our FY 2022 request includes \$257 million to continue this project. DHS is a great example of the kind of mission that will always require a robust in-person presence, and the surrounding physical infrastructure to support it.

Finally, access to the FBF will allow GSA to take the steps necessary to reduce the carbon impact of the federal government's real estate portfolio, as well as make our assets more resilient to future climate events. This year, the Biden-Harris Administration has included \$100 million for a new Climate Resilience and Mitigation Fund. With these resources, we can bolster our risk profile data and make targeted investments in facilities across the country that are likely to be impacted by severe climate-related events. Again, this is the time to make our buildings more resilient and reduce their

climate impacts. This is just one example from our budget request, but every project on our list will incorporate a robust plan to reduce carbon impacts.

GSA looks forward to working with this Committee to address our critical infrastructure repair needs, address the challenges of real estate needs after the pandemic, and seize the opportunity in front of us to make smart investments that will right-size the portfolio, cut real estate costs, and deliver a more effective and sustainable federal footprint.

### **Closing**

In closing, I want to thank the Committee for its support of so many of GSA's critical investments, and I would ask that Members of this Committee continue to support GSA's FY 2022 budget request, the Infrastructure Investment & Jobs Act, and the reconciliation package. Every dollar we invest today will have outsized savings in the future - allowing us to consolidate agencies and cut long-term real estate costs, address our repair backlog, promote economic activity in communities across the country, reduce our carbon footprint, and make our public assets more resilient to future climate impacts. In our view, this is the moment to build back better.

With that, we again appreciate the opportunity to be here, and would be happy to answer any questions you have.